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December 12, 2007

Chairman Ross Johnson
Commissioners
Fair Political Practices Commission
428 J Street
Sacramento, CA 95814

Via Facsimile

Re: Item #8 on Dec. 13, 2007 Agenda:
Proposed Regulation 18421.7 and Amendment to Regulation 18401

Dear Chairman Johnson & Commissioners:

We applaud your quick response to revelations over the last several months of the inadequacy of current disclosure rules to ensure that candidate-controlled campaign funds are being spent in accordance with the law.

Although the Political Reform Act requires any expenditure of campaign funds be "reasonably related" to a political, legislative or governmental purpose, and that any expenditure conferring a "substantial personal benefit" be "directly related" to a political, legislative or governmental purpose, the Commission and the public have no way to know if this requirement is being met under the current lax disclosure rules.

Proposed Regulation 18421.7 would require significant additional details be reported for expenditures for gifts, meals, and out-of-state travel by candidate-controlled committees. Each of these new disclosures will provide valuable information to the Commission and public to help determine whether campaign funds are spent appropriately. However, recent revelations suggest that more extensive disclosure is necessary in order to ascertain whether expenditures truly have a political, legislative or governmental purpose, or are, in truth, a misuse of campaign funds for personal benefit.

In light of extensive travel schedules by much of the legislature – twenty members were reported traveling overseas during just one week in mid-September in the midst of two special legislative sessions – fuller disclosure in this area is necessary to ensure the legitimate use of campaign funds.

New rules in the U.S. House and Senate require members of Congress to verify that their travel is in connection with their duties as an officeholder. In contrast to the regulations the Commission is considering, the congressional rules are specifically tailored to curtail abuse of privately-sponsored travel. Nevertheless, the intent – to determine that identified travel is related to official business – is the same. I include two of the House disclosure forms for your information.

The burden is correctly on the candidate to prove that expenditures are legitimate. The Commission should add the following to the required disclosure in proposed Regulation 18421.7 concerning out-of-state travel:

- A description of the travel and how it serves a political, legislative or governmental purpose;
- A list of participating individuals and an explanation of how the participation of each serves the political, legislative or governmental purpose; and,
- A detailed agenda of activities that took place on the trip including itineraries, meeting venues, etcetera.

The proposed regulation also requires expanded disclosure for expenditures on a gift or a meal. Past experience shows that such expenses are rarely identified as such on Form 460s. Usually, these expenditures are classified as “meetings” or “office expenses.” Without more definite description, it will be impossible to determine whether such expenditures are gifts or meals, and an uncooperative candidate could argue there is no requirement to prove it.

We urge you add new codes for “meal” and “gift” to describe payments on Form 460, and to require explanation of the ambiguous “office expense” code to ensure it is not misused.

Although this is not a comprehensive list, such new disclosures will begin to provide the public and the Commission the information necessary to ensure candidates are not using campaign funds for personal benefit. We hope the Commission will also expand the discussion to include consideration of the appropriate use of campaign funds for in-state travel.

In the end, we believe that campaign funds should be limited to political uses, and that travel on the people’s business is correctly paid for by the state. Such a distinction would eliminate the possibility of undue influence by campaign contributors who can currently claim credit for sending candidates around the world. However, until such change is effected in statute, the disclosure within the Commission’s power to demand can be a strong deterrent to abuse.

Thank you for considering our views. We look forward to the Commission’s continuing discussion.

Sincerely,



Carmen Balber

cc: Brian G. Lau, Commission Counsel
Scott Hallabrin, General Counsel

**U.S. House of Representatives
Committee on Standards of Official Conduct**

**PRIVATELY SPONSORED TRAVEL: TRAVELER FORM
For Members, Officers and Employees
(submit directly to the Committee)**

This form should be completed by House Members, officers or employees seeking Committee approval of privately-sponsored travel or reimbursement for travel under House Rule XXV, clause 5. The completed form should be submitted directly to the Committee by each invited House Member, officer or employee, together with the completed and signed Private Sponsor Travel Certification Form.

Members, officers and employees seeking approval for travel are urged to submit all forms to the Committee at least 30 days before travel is scheduled to begin. The failure to provide the Committee with adequate time to review the form and attachments may result in the invitee not receiving approval for the trip. A copy of this form will be made available for public inspection. Please type form. Form (and any attachments) may be faxed to the Committee at (202) 225-7392.

- Name of Member, officer or employee (traveler): _____
2. Sponsor(s) (who will be paying for the trip): _____

3. Travel destination(s): _____
4. a. Dates of travel: _____
b. Will you be extending the trip at your personal expense? ☐ Yes ☐ No
If yes, dates at personal expense: _____
5. a. Name of accompanying family member (if any): _____
b. Relationship to Member/Officer: ☐ Spouse ☐ Child ☐ Other (specify): _____
6. a. Did the trip sponsor answer "yes" to Question 9(c) on the Trip Sponsor form (i.e., the travel is being sponsored by an entity that employs a lobbyist)? ☐ Yes ☐ No
b. If yes, check one of the following:
(1) Approval for one-night's lodging and meals is being requested: ☐ or
(2) Approval for two-nights' lodging and meals is being requested: ☐
If "(2)" is checked, explain why the second night is warranted: _____

7. Private Sponsor Travel Certification Form is attached, including agenda, invitee list, and any other attachments (indicate that form is attached by checking box): ☐

8. Explain why participation in the trip is connected to your official or representational duties:

9. I certify that the information contained in this form is true, complete, and correct to the best of my knowledge.

Signature: _____

Name of Signatory (if other than traveler): _____

For staff, name of employing Member/Committee: _____

Office address: _____

Phone number: _____

Email address: _____

NOTE: You must complete the contact information fields above, as Committee staff may need contact you if additional information is required.

FOR STAFF:

TO BE COMPLETED BY YOUR EMPLOYING MEMBER:

I hereby authorize the individual named above, an employee of the U.S. House of Representatives who works under my direct supervision, to accept expenses for the trip described in this request. I have determined that the above-described travel is in connection with my employee's official duties and that acceptance of these expenses will not create the appearance that the employee is using public office for private gain.

Signature of Employing Member

Date: _____

If there are any questions regarding this form please contact the Committee:

Committee on Standards of Official Conduct
U.S. House of Representatives
HT-2, The Capitol
Washington, DC 20515
(202) 225-7103 (phone)
(202) 225-7392 (fax)

Version date 9/2007 by Committee on Standards of Official Conduct

**U.S. House of Representatives
Committee on Standards of Official Conduct**

**PRIVATE SPONSOR TRAVEL CERTIFICATION FORM
(provide directly to each House invitee)**

This form should be completed by private entities offering to provide travel or reimbursement for travel to House Members, officers or employees under House Rule XXV, clause 5. A completed copy of the form (and any attachments) should be provided to each invited House Member, officer or employee, who will then forward it to the Committee. The trip sponsor should NOT submit the form directly to the Committee.

Private sponsors are urged to submit this form to each House invitee at least 30 days before travel is scheduled to begin. The failure to provide the Committee with adequate time to review the form and attachments may result in the invitee not receiving approval for the trip. The submission of an incomplete form will delay the review process. Before completing this form, sponsors are urged to carefully review the Committee's private travel guidelines and advisory memoranda detailing the rules and restrictions for private travel, as well as the instructions for completing this form. Sponsors should call the Committee with any questions prior to submitting the form. Please type form.

1. Sponsor(s) (who will be paying for the trip): _____

2. I represent that the trip will not be financed (in whole or in part) by a federally-registered lobbyist or a registered foreign agent (signify "yes" by checking box): ☐
3. I represent that the trip sponsor(s) has not accepted from any other source funds earmarked directly or indirectly to finance any aspect of the trip (signify "yes" by checking box): ☐
4. Is travel being offered to an accompanying family member of the House invitee(s)? ☐ Yes ☐ No
5. Provide names and titles of ALL House invitees; for each invitee, provide explanation of why the individual was invited (include additional pages if necessary): _____

6. Dates of travel: _____
7. Cities of departure – destination – return: _____

8. Attached is a detailed agenda of the activities taking place during the travel (i.e., an hourly description of planned activities) (signify "yes" by checking box): ☐
9. I represent that (check one of the following):
 - a. The sponsor of the trip is an institution of higher education within the meaning of section 101 of the Higher Education Act of 1965: ☐ or
 - b. The sponsor of the trip does not retain or employ a federally registered lobbyist or registered foreign agent: ☐ or
 - c. The trip is for attendance at a one-day event and lobbyist involvement in planning, organizing, requesting, or arranging the trip was *de minimis* under the Committee's travel regulations. ☐
10. If travel is for participation in a one-day event (i.e., if you checked Question 9(c)), check one of the following:
 - a. One-night's lodging and meals are being offered: ☐ or
 - b. Two-nights' lodging and meals are being offered: ☐

If "b" is checked, explain why the second night is warranted: _____

11. If the trip is not sponsored by an institution of higher education, I represent that a federally-registered lobbyist or foreign agent will not accompany House Members or employees on any segment of the trip (*signify "yes" by checking box*): ☐
12. Private sponsors must have a direct and immediate relationship to the purpose of the trip or location being visited. Describe the role of each sponsor in organizing and conducting the trip: _____

13. Describe each sponsor's organizational interest in the purpose of the trip: _____

14. Describe the type and class of the transportation being provided. Indicate whether coach, business-class or first-class transportation will be provided. In addition, for travel via aircraft, please indicate if travel is being offered on a commercial flight, chartered flight or on an aircraft operated or paid for by a carrier not licensed by the Federal Aviation Administration to operate for compensation or hire (*i.e.*, a private aircraft). If first-class fare is being provided, or if travel is via chartered or private aircraft, please provide an explanation describing why such travel is warranted: _____

15. I represent that the expenditures related to local area travel during the trip will be unrelated to personal or recreational activities of the invitee(s). (*signify "yes" by checking box*): ☐
16. I represent that either (*check one of the following*):
- a. The trip involves an event that is arranged or organized *without regard* to congressional participation and that meals provided to congressional participants are similar to those provided to or purchased by other event attendees: ☐ or
 - b. The trip involves events that are arranged or organized *specifically with regard* to congressional participation: ☐
If "b" is checked, detail the cost per day of meals (approximate cost may be provided): _____

17. Reason for selecting the location of the event or trip: _____

18. Name of hotel or other lodging facility: _____
19. Cost per night of hotel or other lodging facility (approximate cost may be provided): _____

20. Reason(s) for selecting hotel or other lodging facility: _____

21. TOTAL EXPENSES FOR EACH PARTICIPANT:

<input type="checkbox"/> actual amounts <input type="checkbox"/> good faith estimates	Total <i>Transportation</i> Expenses per Participant	Total <i>Lodging</i> Expenses per Participant	Total <i>Meal</i> Expenses per Participant
For each Member, Officer, or employee			
For each accompanying family member			

	<i>Other</i> Expenses (dollar amount)	Identify Specific Nature of "Other" Expenses (e.g., taxi, parking, registration fee, etc.)
For each Member, Officer, or employee		
For each accompanying family member		

22. I represent that reimbursement for miscellaneous travel expenses for the trip, such as travel to and from airports, security costs, interpreter fees, visa application fees, and similar expenses, will be for actual costs incurred and are necessary for the purpose of the trip (signify "yes" by checking box): ☐
23. I certify that the information contained in this form is true, complete, and correct to the best of my knowledge.

Signature: _____

Name and title: _____

Organization: _____

Address: _____

Telephone number: _____

Fax number: _____

Email Address: _____

The Committee staff may contact the above individual above if additional information is required.

If there are any questions regarding this form please contact the Committee at the following address:

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 U.S. House of Representatives
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 Washington, DC 20515
 (202) 225-7103 (phone)
 (202) 225-7392 (general fax)
 (202) 226-7172 (fax for travel approvals)

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